ORIGINAL

OPEN MEETING

0000104696

MEMORANDUM

RECEIVED

2009 NOV -4 P 1:58

AZ CORP COMMISSION
DOCKET CONTROL

TO: THE COMMISSION

FROM: Utilities Division

DATE: November 4, 2009

RE: TUCSON ELECTRIC POWER COMPANY'S PROPOSED REVISIONS TO PRICING PLAN PS-40 MUNICIPAL SERVICE (DOCKET NOS. E-01933A-07-0402 AND E-01933A-05-0650)

On June 12, 2009, Tucson Electric Power Company ("TEP" or "Company") docketed proposed revisions to its existing Pricing Plan PS-40 Municipal Service tariff ("PS-40"). The proposed revisions would allow qualifying municipal customers to receive electric service at primary voltage levels under PS-40. TEP's primary service is defined as service delivered to customers' sites at normal distribution or sub-transmission voltage levels (Rules and Regulations, Section 9, Article B). Primary voltage levels are nominally in the 8-13.8 kV or 46 kV ranges, and are usually requested by customers with large power requirements (e.g. demands greater than 2,500 kW). By comparison, secondary voltage levels are nominally in the 120/240-277/480 volt ranges (TEP Rules and Regulations, Section 9, Article A), and are usually requested by average size residential and commercial customers. Primary voltage service level options are becoming increasingly more desirable for Arizona municipalities in direct proportion to the increasing interest in constructing new solar projects. TEP believes that the proposed primary option would benefit existing primary and secondary service municipal customers (e.g. Pricing Plan LGS-13, approximately 600 customers; and, Pricing Plan GS-10, approximately 32,500 customers) by providing an opportunity to opt for potentially more favorable rates under PS-40 compared to LGS-13 and GS-10 rates, respectively (Attachment 1). What is not apparent from Attachment 1 is that Load Factors significantly impact the economic metrics of monthly billing differences between the three rate schedules (Attachment 2).

At 45 percent load factor, Attachment 1 illustrates potential annual savings in the amount of approximately $16,800 and $10,300 for LGS-13 and GS-10 municipal customers, respectively if they move to PS-40.

Annual savings for municipal customers are modest at best, and depending on load factor, municipal customers may incur annual revenue "losses" (Attachment 2). Therefore Staff asked TEP to identify factors, other than potential modest revenue savings, that would motivate existing and prospective municipal customers to choose PS-40 over General Service schedules 13 and 10. TEP's responses are discussed in detail below.

Staff's Findings and Recommendations

TEP's responses to Staff's data requests provided the data contained in the above referenced Attachments 1 and 2. In addition to the potential annual savings discussed above, TEP offered the following insight into the reasons TEP proposed adding a primary service option to PS-40: 1) current secondary municipal customers may need to upgrade to primary service to efficiently facilitate their solar projects; 2) TEP does not want its rate schedules to encumber the addition of solar projects by automatically precluding municipal customers from being eligible to receive primary service under PS-40; and 3) TEP's proposed change eliminates a negative consequence of installing a solar project, and as such, TEP views the proposal as an incentive to encourage municipals to pursue solar projects. At this time, TEP is aware of two planned municipal solar projects that require primary service options to proceed in a most cost-effective manner.

Staff believes that the Company's proposed revisions to schedule PS-40 would be a positive influence on the solar projects process. Staff, therefore, recommends that the Commission approve the Company's proposed revisions to rate schedule PS-40. Staff's recommendation is further supported by the following findings.

Fair Value-Related Matters

TEP has stated that there will be no consequential rate base-related investments made. TEP is of the opinion that the revenue erosion that will occur will not affect fair value. According to TEP, there will be no change in facilities cost either on a historical or replacement basis and the infrastructure requirements will remain unchanged.

Staff has concluded that there would be no impact on TEP's fair value rate base and rate of return.

Anticipated End-Users of PS-40 Solar-Generated Electricity

According to the Company, end users are expected to be government entities being served under PS-40. Typical load will include office building load and process load (e.g., waste water treatment). If available and pursuant to the net metering rules, TEP would purchase solar-generated power created by customers served under proposed schedule PS-40. Staff believes that TEP's comments indicate the Company's willingness to facilitate the implementation of new solar projects.

Net Metering Considerations

TEP states that "Net metering will be available to qualified customers, including qualified customers on Rate 40." The Company opines that all customers could be affected by the impact of solar production, in that such energy may replace energy that otherwise would have been provided by TEP. In addition, some customers may solar-generate electricity in excess of

their own use, thereby making it necessary for the municipals to find buyers for their excess energy. Staff believes that TEP is attempting to realign its tariff's terms and conditions to better accommodate the resurgence in new solar projects and sellers of excess solar-generated power.

Rate Case Moratorium

Pursuant to Decision No. 70628, Section 10.1 of the Settlement Agreement imposed a rate case moratorium on TEP. Specifically Section 10.1:

> *"Except as otherwise expressly provided herein, TEP's base rates, as authorized in the Commission order approving this Agreement, shall remain frozen through December 31, 2012, and no Signatory will seek any change to TEP's base rates that would take effect before January 1, 2013."*

Staff has reviewed this Section in conjunction with the application Staff believes the proposed revision as it relates to rate of return and revenues is *de minimus* and consistent with the Agreement.

Additional Staff Recommendations

Staff recommends that rate schedule PS-40 be approved effective December 1, 2009.

Furthermore, Staff recommends that TEP file tariff pages for the approved rate schedule PS-40 consistent with the Decision within 15 days from the effective date of the Decision.

for Steven M. Olea
Director
Utilities Division

SMO:WHM:red\RM

ORIGINATOR: William H. Musgrove

45% Load Factor Scenario

Rate 13 vs. Rate 40 Excluding Base Power Supply

	Capacity					
KW summer =	3,000	LF =	45%	1,350	KWH =	972,000
KW winter =	3,000	LF =	45%	1,350	KWH =	972,000

SUMMER:	LGS-13	$	PS-40	$	
CUST CHG	371.88	371.88	0	0	
DEM CHG	10.352	30,438.00	0	0	
ENERGY*	0.025656	24,937.63	0.05753	55,919	
KW DISCOUNT	0.206		0	0	
TOTALS		55,748		55,919	
DELTA					$ 172

*EXCLUDING BASE POWER CHARGE

WINTER:	LGS-13	$	PS-40	$	
CUST CHG	371.88	371.88	0	0	
DEM CHG	10.352	30,438.00	0	0	
ENERGY*	0.02391	23,240.52	0.053159	51,671	
KW DISCOUNT	0.206		0	0	
TOTALS		54,050		51,671	
DELTA					$ (2,380)

Rate 13 vs. Rate 40 Including Base Power Supply

	Capacity					
KW summer =	3,000	LF =	45%	1,350	KWH =	972,000
KW winter =	3,000	LF =	45%	1,350	KWH =	972,000

SUMMER:	LGS-13	$	PS-40	$	
CUST CHG	371.88	371.88	0	0	
DEM CHG	10.352	30,438.00	0	0	
ENERGY*	0.05821	56,580.12	0.089775	87,261	
KW DISCOUNT	0.206		0	0	
TOTALS		87,390		87,261	
DELTA					$ (129)

*INCLUDING BASE POWER CHARGE

WINTER:	LGS-13	$	PS-40	$	
CUST CHG	371.88	371.88	0	0	
DEM CHG	10.352	30,438.00	0	0	
ENERGY*	0.048964	47,593.01	0.077904	75,723	
KW DISCOUNT	0.206		0	0	
TOTALS		78,408		75,723	
DELTA					$ (2,680)

*Annual Potential Savings = $ (16,853)

*Negative Number = Customer Savings

45% Load Factor Scenario

Rate 10 vs. Rate 40 Excluding Base Power Supply

	Capacity					
KW summer =	100	LF =	45%	45	KWH =	32,400
KW winter =	100	LF =	45%	45	KWH =	32,400

SUMMER:	GS-10	$	PS-40	$	
CUST CHG	14	14	0	0	
ENERGY 1ST 500	0.056236	28.12	0	0	
ENERGY OVER	0.085145	2,716.13	0.05753	1,864	
TOTALS		2,758		1,864	
DELTA					$ (894)

*EXCLUDING BASE POWER CHARGE

WINTER:	GS-10	$	PS-40	$	
CUST CHG	14	14	0	0	
ENERGY 1ST 500	0.051252	25.63	0	0	
ENERGY OVER	0.080145	2,556.63	0.053159	1,722	
TOTALS		2,596		1,722	
DELTA					$ (874)

Rate 10 vs. Rate 40 Including Base Power Supply

	Capacity					
KW summer =	100	LF =	45%	45	KWH =	32,400
KW winter =	100	LF =	45%	45	KWH =	32,400

SUMMER:	GS-10	$	PS-40	$	
CUST CHG	14	14	0	0	
ENERGY 1ST 500	0.087786	43.89	0	0	
ENERGY OVER	0.116695	3,722.57	0.089775	2,909	
			0		
TOTALS		3,780		2,909	
DELTA					$ (872)

*INCLUDING BASE POWER CHARGE

WINTER:	GS-10	$	PS-40	$	
CUST CHG	14	14	0	0	
ENERGY 1ST 500	0.075474	37.74	0	0	
ENERGY OVER	0.104367	3,329.31	0.077904	2,524	
			0		
TOTALS		3,381		2,524	
DELTA					$ (857)

*Annual Potential Savings = $ (10,372)

*Negative Number = Customer Savings

55% Load Factor Scenario

Rate 13 vs. Rate 40 Excluding Base Power Supply

	Capacity					
KW summer =	3,000	LF =	55%	1,650	KWH =	1,188,000
KW winter =	3,000	LF =	55%	1,650	KWH =	1,188,000

SUMMER:	LGS-13	$	PS-40	$
CUST CHG	371.88	371.88	0	0
DEM CHG	10.352	30,438.00	0	0
ENERGY*	0.025656	30,479.33	0.05753	68,346
KW DISCOUNT	0.206		0	0
TOTALS		61,289		68,346
DELTA				$ 7,056

*EXCLUDING BASE POWER CHARGE

WINTER:	LGS-13	$	PS-40	$
CUST CHG	371.88	371.88	0	0
DEM CHG	10.352	30,438.00	0	0
ENERGY*	0.02391	28,405.08	0.053159	63,153
KW DISCOUNT	0.206		0	0
TOTALS		59,215		63,153
DELTA				$ 3,938

Rate 13 vs. Rate 40 Including Base Power Supply

	Capacity					
KW summer =	3,000	LF =	55%	1,650	KWH =	1,188,000
KW winter =	3,000	LF =	55%	1,650	KWH =	1,188,000

SUMMER:	LGS-13	$	PS-40	$
CUST CHG	371.88	371.88	0	0
DEM CHG	10.352	30,438.00	0	0
ENERGY*	0.05821	69,153.48	0.089775	106,653
KW DISCOUNT	0.206		0	0
TOTALS		99,963		106,653
DELTA				$ 6,689

*INCLUDING BASE POWER CHARGE

WINTER:	LGS-13	$	PS-40	$
CUST CHG	371.88	371.88	0	0
DEM CHG	10.352	30,438.00	0	0
ENERGY*	0.048964	58,169.23	0.077904	92,550
KW DISCOUNT	0.206		0	0
TOTALS		88,979		92,550
DELTA				$ 3,571

55% Load Factor Scenario

Rate 10 vs. Rate 40 Excluding Base Power Supply

	Capacity					
KW summer =	100	LF =	55%	55	KWH =	39,600
KW winter =	100	LF =	55%	55	KWH =	39,600

SUMMER:	GS-10	$	PS-40	$
CUST CHG	14	14	0	0
ENERGY 1ST 500	0.056236	28.12	0	0
ENERGY OVER	0.085145	3,329.17	0.05753	2,278
TOTALS		3,371		2,278
DELTA				$ (1,093)

*EXCLUDING BASE POWER CHARGE

WINTER:	GS-10	$	PS-40	$
CUST CHG	14	14	0	0
ENERGY 1ST 500	0.051252	25.63	0	0
ENERGY OVER	0.080145	3,133.67	0.053159	2,105
TOTALS		3,173		2,105
DELTA				$ (1,068)

Rate 10 vs. Rate 40 Including Base Power Supply

	Capacity					
KW summer =	100	LF =	55%	55	KWH =	39,600
KW winter =	100	LF =	55%	55	KWH =	39,600

SUMMER:	GS-10	$	PS-40	$
CUST CHG	14	14	0	0
ENERGY 1ST 500	0.087786	43.89	0	0
ENERGY OVER	0.116695	4,562.77	0.089775	3,555
			0	
TOTALS		4,621		3,555
DELTA				$ (1,066)

*INCLUDING BASE POWER CHARGE

WINTER:	GS-10	$	PS-40	$
CUST CHG	14	14	0	0
ENERGY 1ST 500	0.075474	37.74	0	0
ENERGY OVER	0.104367	4,080.75	0.077904	3,085
			0	
TOTALS		4,132		3,085
DELTA				$ (1,047)

65% Load Factor Scenario

Rate 13 vs. Rate 40 Excluding Base Power Supply

	Capacity					
KW summer =	3,000	LF =	65%	1,950	KWH =	1,404,000
KW winter =	3,000	LF =	65%	1,950	KWH =	1,404,000

SUMMER:	LGS-13	$	PS-40	$	
CUST CHG	371.88	371.88	0	0	
DEM CHG	10.352	30,438.00	0	0	
ENERGY*	0.025656	36,021.02	0.05753	80,772	
KW DISCOUNT	0.206		0	0	
TOTALS		66,831		80,772	
DELTA					$ 13,941

*EXCLUDING BASE POWER CHARGE

WINTER:	LGS-13	$	PS-40	$	
CUST CHG	371.88	371.88	0	0	
DEM CHG	10.352	30,438.00	0	0	
ENERGY*	0.02391	33,569.64	0.053159	74,635	
KW DISCOUNT	0.206		0	0	
TOTALS		64,380		74,635	
DELTA					$ 10,256

Rate 13 vs. Rate 40 Including Base Power Supply

	Capacity					
KW summer =	3,000	LF =	65%	1,950	KWH =	1,404,000
KW winter =	3,000	LF =	65%	1,950	KWH =	1,404,000

SUMMER:	LGS-13	$	PS-40	$	
CUST CHG	371.88	371.88	0	0	
DEM CHG	10.352	30,438.00	0	0	
ENERGY*	0.05821	81,726.84	0.089775	126,044	
KW DISCOUNT	0.206		0	0	
TOTALS		112,537		126,044	
DELTA					$ 13,507

*INCLUDING BASE POWER CHARGE

WINTER:	LGS-13	$	PS-40	$	
CUST CHG	371.88	371.88	0	0	
DEM CHG	10.352	30,438.00	0	0	
ENERGY*	0.048964	68,745.46	0.077904	109,377	
KW DISCOUNT	0.206		0	0	
TOTALS		99,555		109,377	
DELTA					$ 9,822

65% Load Factor Scenario

Rate 10 vs. Rate 40 Excluding Base Power Supply

	Capacity					
KW summer =	100	LF =	65%	65	KWH =	46,800
KW winter =	100	LF =	65%	65	KWH =	46,800

SUMMER:	GS-10	$	PS-40	$	
CUST CHG	14	14	0	0	
ENERGY 1ST 500	0.056236	28.12	0	0	
ENERGY OVER	0.085145	3,942.21	0.05753	2,692	
TOTALS		3,984		2,692	
DELTA					$ (1,292)

*EXCLUDING BASE POWER CHARGE

WINTER:	GS-10	$	PS-40	$	
CUST CHG	14	14	0	0	
ENERGY 1ST 500	0.051252	25.63	0	0	
ENERGY OVER	0.080145	3,710.71	0.053159	2,488	
TOTALS		3,750		2,488	
DELTA					$ (1,262)

Rate 10 vs. Rate 40 Including Base Power Supply

	Capacity					
KW summer =	100	LF =	65%	65	KWH =	46,800
KW winter =	100	LF =	65%	65	KWH =	46,800

SUMMER:	GS-10	$	PS-40	$	
CUST CHG	14	14	0	0	
ENERGY 1ST 500	0.087786	43.89	0	0	
ENERGY OVER	0.116695	5,402.98	0.089775	4,201	
			0		
TOTALS		5,461		4,201	
DELTA					$ (1,259)

*INCLUDING BASE POWER CHARGE

WINTER:	GS-10	$	PS-40	$	
CUST CHG	14	14	0	0	
ENERGY 1ST 500	0.075474	37.74	0	0	
ENERGY OVER	0.104367	4,832.19	0.077904	3,646	
			0		
TOTALS		4,884		3,646	
DELTA					$ (1,238)

BEFORE THE ARIZONA CORPORATION COMMISSION

KRISTIN K. MAYES
Chairman
GARY PIERCE
Commissioner
PAUL NEWMAN
Commissioner
SANDRA D. KENNEDY
Commissioner
BOB STUMP
Commissioner

IN THE MATTER OF TUCSON ELECTRIC POWER COMPANY'S PROPOSED REVISIONS TO PRICING PLAN PS-40 MUNICIPAL SERVICE	DOCKET NO. E-01933A-07-0402 DOCKET NO. E-01933A-05-0650 DECISION NO. _____ ORDER

Open Meeting
November 19 and 20, 2009
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

1. Tucson Electric Power Company ("TEP" or "Company") is certificated to provide electric service as a public service corporation in the State of Arizona.

2. On June 12, 2009, TEP docketed proposed revisions to its existing Pricing Plan PS-40 Municipal Service tariff ("PS-40"). The proposed revisions would allow qualifying municipal customers to receive electric service at primary voltage levels under PS-40.

3. TEP's primary service is defined as service delivered to customers' sites at normal distribution or sub-transmission voltage levels (Rules and Regulations, Section 9, Article B). Primary voltage levels are nominally in the 8-13.8 kV or 46 kV ranges, and are usually requested by customers with large power requirements (e.g. demands greater than 2,500 kW). By comparison, secondary voltage levels are nominally in the 120/240-277/480 volt ranges (TEP Rules and Regulations, Section 9, Article A), and are usually requested by average size residential

and commercial customers.

4. Primary voltage service level options are becoming increasingly more desirable for Arizona municipalities in direct proportion to the increasing interest in constructing new solar projects. TEP believes that the proposed primary option would benefit existing primary and secondary service municipal customers (e.g. Pricing Plan LGS-13, approximately 600 customers; and, Pricing Plan GS-10, approximately 32,500 customers) by providing an opportunity to opt for potentially more favorable rates under PS-40 compared to LGS-13 and GS-10 rates, respectively (Attachment 1). What is not apparent from Attachment 1 is that Load Factors significantly impact the economic metrics of monthly billing differences between the three rate schedules (Attachment 2).

5. At 45 percent load factor, Attachment 1 illustrates potential annual savings in the amount of approximately $16,800 and $10,300 for LGS-13 and GS-10 municipal customers, respectively if they move to PS-40. Annual savings for municipal customers are modest at best, and depending on load factor, municipal customers may incur annual revenue "losses" (Attachment 2). Therefore, Staff asked TEP to identify factors, other than potential modest revenue savings, that would motivate existing and prospective municipal customers to choose PS-40 over General Service schedules 13 and 10. TEP's responses are discussed in detail below.

Staff's Findings and Recommendations

6. TEP's responses to Staff's data requests provided the data contained in the above referenced Attachments 1 and 2. In addition to the potential annual savings discussed above, TEP offered the following insight into the reasons TEP proposed adding a primary service option to PS-40: 1) current secondary municipal customers may need to upgrade to primary service to efficiently facilitate their solar projects; 2) TEP does not want its rate schedules to encumber the addition of solar projects by automatically precluding municipal customers from being eligible to receive primary service under PS-40; and 3) TEP's proposed change eliminates a negative consequence of installing a solar project, and as such, views the proposal as an incentive to encourage municipals to pursue solar projects. At this time, TEP is aware of two planned municipal solar projects that require primary service options to proceed in a most cost-effective

manner.

7. Staff believes that the Company's proposed revisions to schedule PS-40 would be a positive influence on the solar projects process. Staff, therefore, has recommended that the Commission approve the Company's proposed revisions to rate schedule PS-40. Staff's recommendation is further supported by the following findings.

Fair Value-Related Matters

8. TEP has stated that there will be no consequential rate base-related investments made. TEP is of the opinion that the revenue erosion that will occur will not affect fair value. According to TEP, there will be no change in facilities cost either on a historical or replacement basis and the infrastructure requirements will remain unchanged.

9. Staff has concluded that there would be no impact on TEP's fair value rate base and rate of return.

Anticipated End-Users of PS-40 Solar-Generated Electricity

10. According to the Company, end users are expected to be government entities being served under PS-40. Typical load will include office building load and process load (e.g., waste water treatment). If available and pursuant to the net metering rules, TEP would purchase solar-generated power created by customers served under proposed schedule PS-40.

11. Staff believes that TEP's comments indicate the Company's willingness to facilitate the implementation of new solar projects.

Net Metering Considerations

12. TEP states that "Net metering will be available to qualified customers, including qualified customers on Rate 40." The Company opines that all customers could be affected by the impact of solar production, in that such energy may replace energy that otherwise would have been provided by TEP. In addition, some customers may solar-generate electricity in excess of their own use, thereby making it necessary for the municipals to find buyers for their excess energy.

13. Staff believes that TEP is attempting to realign its tariff's terms and conditions to better accommodate the resurgence in new solar projects and sellers of excess solar-generated power.

Rate Case Moratorium

14. Pursuant to Decision No. 70628, Section 10.1 of the Settlement Agreement imposed a rate case moratorium on TEP. Specifically Section 10.1:

> *"Except as otherwise expressly provided herein, TEP's base rates, as authorized in the Commission order approving this Agreement, shall remain frozen through December 31, 2012, and no Signatory will seek any change to TEP's base rates that would take effect before January 1, 2013."*

15. Staff has reviewed this Section in conjunction with the application Staff believes the proposed revision as it relates to rate of return and revenues is *de minimus* and consistent with the Agreement.

Additional Staff Recommendations

16. Staff has also recommended that rate schedule PS-40 be approved effective December 1, 2009.

17. Furthermore, Staff has recommended that TEP file tariff pages for the approved rate schedule PS-40 consistent with the Decision within 15 days from the effective date of the Decision.

CONCLUSIONS OF LAW

1. Tucson Electric Power Company is a public service corporation within the meaning of Article XV, Section 2 of the Arizona Constitution.

2. The Commission has jurisdiction over Tucson Electric Power Company and the subject matter of the application.

3. Approval of Tucson Electric Power Company's Pricing Plan PS-40 Municipal Service in this application does not constitute a rate increase as contemplated in A.R.S. Section 40-250.

4. The Commission, having reviewed the application and Staff's Memorandum dated November 4, 2009, concludes that it is in the public interest to approve the Tucson Electric Power Company's proposed Pricing Plan PS-40 Municipal Service as discussed herein.

ORDER

IT IS THEREFORE ORDERED that Tucson Electric Power Company's proposed Pricing Plan PS-40 Municipal Service as revised and discussed herein is approved.

IT IS FURTHER ORDERED that Pricing Plan PS-40 Municipal Service, as approved, shall become effective December 1, 2009.

IT IS FURTHER ORDERED that Tucson Electric Power Company file tariff pages for the approved Pricing Plan PS-40 Municipal Service consistent with the Decision in this matter within 15 days from the effective date of the Decision.

IT IS FURTHER ORDERED that this decision shall become effective immediately.

BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION

CHAIRMAN COMMISSIONER

COMMISSIONER COMMISSIONER COMMISSIONER

IN WITNESS WHEREOF, I, ERNEST G. JOHNSON, Executive Director of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this _____day of _____, 2009.

ERNEST G. JOHNSON
EXECUTIVE DIRECTOR

DISSENT: _____

DISSENT: _____

SMO:WHM:red/RM

SERVICE LIST FOR:
DOCKET NOS. E-01933A-07-0402 and E-01933A-05-0650

Mr. Phil Dion
Regulatory Counsel
Tucson Electric Power Company
One South Church Avenue, Suite 200
Tucson, Arizona 85701

Mr. Michael Patten
Roshka DeWulf & Patten, PLC
One Arizona Center
400 East Van Buren Street, Suite 800
Phoenix, Arizona 85004

Mr. Steven M. Olea
Director, Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Ms. Janice M. Alward
Chief Counsel, Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

TEP PS-40 MUNICIPAL SCHEDULE VS. LGS-13 and GS-10 GENERAL SERVICE SCHEDULES

45% Load Factor Scenario

Rate 13 vs. Rate 40 Excluding Base Power Supply

	Capacity					
KW summer =	3,000	LF =	45%	1,350	KWH =	972,000
KW winter =	3,000	LF =	45%	1,350	KWH =	972,000

SUMMER:	LGS-13	$	PS-40	$
CUST CHG	371.88	371.88	0	0
DEM CHG	10.352	30,438.00	0	0
ENERGY*	0.025656	24,937.63	0.05753	55,919
KW DISCOUNT	0.206		0	0
TOTALS		55,748		55,919
DELTA				$ 172

*EXCLUDING BASE POWER CHARGE

WINTER:	LGS-13	$	PS-40	$
CUST CHG	371.88	371.88	0	0
DEM CHG	10.352	30,438.00	0	0
ENERGY*	0.02391	23,240.52	0.053159	51,671
KW DISCOUNT	0.206		0	0
TOTALS		54,050		51,671
DELTA				$ (2,380)

Rate 13 vs. Rate 40 Including Base Power Supply

	Capacity					
KW summer =	3,000	LF =	45%	1,350	KWH =	972,000
KW winter =	3,000	LF =	45%	1,350	KWH =	972,000

SUMMER:	LGS-13	$	PS-40	$
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DEM CHG	10.352	30,438.00	0	0
ENERGY*	0.05821	56,580.12	0.089775	87,261
KW DISCOUNT	0.206		0	0
TOTALS		87,390		87,261
DELTA				$ (129)

*INCLUDING BASE POWER CHARGE

WINTER:	LGS-13	$	PS-40	$
CUST CHG	371.88	371.88	0	0
DEM CHG	10.352	30,438.00	0	0
ENERGY*	0.048964	47,593.01	0.077904	75,723
KW DISCOUNT	0.206		0	0
TOTALS		78,403		75,723
DELTA				$ (2,680)

*Annual Potential Savings = $ (16,853)

*Negative Number = Customer Savings

45% Load Factor Scenario

Rate 10 vs. Rate 40 Excluding Base Power Supply

	Capacity					
KW summer =	100	LF =	45%	45	KWH =	32,400
KW winter =	100	LF =	45%	45	KWH =	32,400

SUMMER:	GS-10	$	PS-40	$
CUST CHG	14	14	0	0
ENERGY 1ST 500	0.056236	28.12	0	0
ENERGY OVER	0.085145	2,716.13	0.05753	1,864
TOTALS		2,758		1,864
DELTA				$ (894)

*EXCLUDING BASE POWER CHARGE

WINTER:	GS-10	$	PS-40	$
CUST CHG	14	14	0	0
ENERGY 1ST 500	0.051252	25.63	0	0
ENERGY OVER	0.080145	2,556.63	0.053159	1,722
TOTALS		2,596		1,722
DELTA				$ (874)

Rate 10 vs. Rate 40 Including Base Power Supply

	Capacity					
KW summer =	100	LF =	45%	45	KWH =	32,400
KW winter =	100	LF =	45%	45	KWH =	32,400

SUMMER:	GS-10	$	PS-40	$
CUST CHG	14	14	0	0
ENERGY 1ST 500	0.087786	43.89	0	0
ENERGY OVER	0.116695	3,722.57	0.089775	2,909
			0	
TOTALS		3,780		2,909
DELTA				$ (872)

*INCLUDING BASE POWER CHARGE

WINTER:	GS-10	$	PS-40	$
CUST CHG	14	14	0	0
ENERGY 1ST 500	0.075474	37.74	0	0
ENERGY OVER	0.104367	3,329.31	0.077904	2,524
			0	
TOTALS		3,381		2,524
DELTA				$ (857)

*Annual Potential Savings = $ (10,372)

*Negative Number = Customer Savings

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55% Load Factor Scenario

Rate 13 vs. Rate 40 Excluding Base Power Supply

	Capacity						
KW summer =	3,000	LF =	55%	1,650		KWH =	1,188,000
KW winter =	3,000	LF =	55%	1,650		KWH =	1,188,000

SUMMER:	LGS-13	$	PS-40	$	
CUST CHG	371.88	371.88	0	0	
DEM CHG	10.352	30,438.00	0	0	
ENERGY*	0.025656	30,479.33	0.05753	68,346	
KW DISCOUNT	0.206		0	0	
TOTALS		61,289		68,346	
DELTA					$ 7,056

*EXCLUDING BASE POWER CHARGE

WINTER:	LGS-13	$	PS-40	$	
CUST CHG	371.88	371.88	0	0	
DEM CHG	10.352	30,438.00	0	0	
ENERGY*	0.02391	28,405.08	0.053159	63,153	
KW DISCOUNT	0.206		0	0	
TOTALS		59,215		63,153	
DELTA					$ 3,938

Rate 13 vs. Rate 40 Including Base Power Supply

	Capacity						
KW summer =	3,000	LF =	55%	1,650		KWH =	1,188,000
KW winter =	3,000	LF =	55%	1,650		KWH =	1,188,000

SUMMER:	LGS-13	$	PS-40	$	
CUST CHG	371.88	371.88	0	0	
DEM CHG	10.352	30,438.00	0	0	
ENERGY*	0.05821	69,153.48	0.089775	106,653	
KW DISCOUNT	0.206		0	0	
TOTALS		99,963		106,653	
DELTA					$ 6,689

*INCLUDING BASE POWER CHARGE

WINTER:	LGS-13	$	PS-40	$	
CUST CHG	371.88	371.88	0	0	
DEM CHG	10.352	30,438.00	0	0	
ENERGY*	0.048964	58,169.23	0.077904	92,550	
KW DISCOUNT	0.206		0	0	
TOTALS		88,979		92,550	
DELTA					$ 3,571

55% Load Factor Scenario

Rate 10 vs. Rate 40 Excluding Base Power Supply

	Capacity						
KW summer =	100	LF =	55%	55		KWH =	39,600
KW winter =	100	LF =	55%	55		KWH =	39,600

SUMMER:	GS-10	$	PS-40	$	
CUST CHG	14	14	0	0	
ENERGY 1ST 500	0.056236	28.12	0	0	
ENERGY OVER	0.085145	3,329.17	0.05753	2,278	
TOTALS		3,371		2,278	
DELTA					$ (1,093)

*EXCLUDING BASE POWER CHARGE

WINTER:	GS-10	$	PS-40	$	
CUST CHG	14	14	0	0	
ENERGY 1ST 500	0.051252	25.63	0	0	
ENERGY OVER	0.080145	3,133.67	0.053159	2,105	
TOTALS		3,173		2,105	
DELTA					$ (1,068)

Rate 10 vs. Rate 40 Including Base Power Supply

	Capacity						
KW summer =	100	LF =	55%	55		KWH =	39,600
KW winter =	100	LF =	55%	55		KWH =	39,600

SUMMER:	GS-10	$	PS-40	$	
CUST CHG	14	14	0	0	
ENERGY 1ST 500	0.087786	43.89	0	0	
ENERGY OVER	0.116695	4,562.77	0.089775	3,555	
			0		
TOTALS		4,621		3,555	
DELTA					$ (1,066)

*INCLUDING BASE POWER CHARGE

WINTER:	GS-10	$	PS-40	$	
CUST CHG	14	14	0	0	
ENERGY 1ST 500	0.075474	37.74	0	0	
ENERGY OVER	0.104367	4,080.75	0.077904	3,085	
			0		
TOTALS		4,132		3,085	
DELTA					$ (1,047)

65% Load Factor Scenario

Rate 13 vs. Rate 40 Excluding Base Power Supply

	Capacity					
KW summer =	3,000	LF =	65%	1,950	KWH =	1,404,000
KW winter =	3,000	LF =	65%	1,950	KWH =	1,404,000

SUMMER:	LGS-13	$	PS-40	$	
CUST CHG	371.88	371.88	0	0	
DEM CHG	10.352	30,438.00	0	0	
ENERGY*	0.025656	36,021.02	0.05753	80,772	
KW DISCOUNT	0.206		0	0	
TOTALS		66,831		80,772	
DELTA					$ 13,941

*EXCLUDING BASE POWER CHARGE

WINTER:	LGS-13	$	PS-40	$	
CUST CHG	371.88	371.88	0	0	
DEM CHG	10.352	30,438.00	0	0	
ENERGY*	0.02391	33,569.64	0.053159	74,635	
KW DISCOUNT	0.206		0	0	
TOTALS		64,380		74,635	
DELTA					$ 10,256

Rate 13 vs. Rate 40 Including Base Power Supply

	Capacity					
KW summer =	3,000	LF =	65%	1,950	KWH =	1,404,000
KW winter =	3,000	LF =	65%	1,950	KWH =	1,404,000

SUMMER:	LGS-13	$	PS-40	$	
CUST CHG	371.88	371.88	0	0	
DEM CHG	10.352	30,438.00	0	0	
ENERGY*	0.05821	81,726.84	0.089775	126,044	
KW DISCOUNT	0.206		0	0	
TOTALS		112,537		126,044	
DELTA					$ 13,507

*INCLUDING BASE POWER CHARGE

WINTER:	LGS-13	$	PS-40	$	
CUST CHG	371.88	371.88	0	0	
DEM CHG	10.352	30,438.00	0	0	
ENERGY*	0.048964	68,745.46	0.077904	109,377	
KW DISCOUNT	0.206		0	0	
TOTALS		99,555		109,377	
DELTA					$ 9,822

65% Load Factor Scenario

Rate 10 vs. Rate 40 Excluding Base Power Supply

	Capacity					
KW summer =	100	LF =	65%	65	KWH =	46,800
KW winter =	100	LF =	65%	65	KWH =	46,800

SUMMER:	GS-10	$	PS-40	$	
CUST CHG	14	14	0	0	
ENERGY 1ST 500	0.056236	28.12	0	0	
ENERGY OVER	0.085145	3,942.21	0.05753	2,692	
TOTALS		3,984		2,692	
DELTA					$ (1,292)

*EXCLUDING BASE POWER CHARGE

WINTER:	GS-10	$	PS-40	$	
CUST CHG	14	14	0	0	
ENERGY 1ST 500	0.051252	25.63	0	0	
ENERGY OVER	0.080145	3,710.71	0.053159	2,488	
TOTALS		3,750		2,488	
DELTA					$ (1,262)

Rate 10 vs. Rate 40 Including Base Power Supply

	Capacity					
KW summer =	100	LF =	65%	65	KWH =	46,800
KW winter =	100	LF =	65%	65	KWH =	46,800

SUMMER:	GS-10	$	PS-40	$	
CUST CHG	14	14	0	0	
ENERGY 1ST 500	0.087786	43.89	0	0	
ENERGY OVER	0.116695	5,402.98	0.089775	4,201	
			0		
TOTALS		5,461		4,201	
DELTA					$ (1,259)

*INCLUDING BASE POWER CHARGE

WINTER:	GS-10	$	PS-40	$	
CUST CHG	14	14	0	0	
ENERGY 1ST 500	0.075474	37.74	0	0	
ENERGY OVER	0.104367	4,832.19	0.077904	3,646	
			0		
TOTALS		4,884		3,646	
DELTA					$ (1,238)

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